

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

MARKET DOMINANT PRODUCT PRICES  
INBOUND MARKET DOMINANT MULTI-SERVICE AGREEMENTS  
WITH FOREIGN POSTAL OPERATORS 1

KOREA POST – UNITED STATES POSTAL SERVICE  
MULTI-PRODUCT BILATERAL AGREEMENT (MC2010-35)  
NEGOTIATED SERVICE AGREEMENT

Docket No.  
R2016-1

**NOTICE OF THE UNITED STATES POSTAL SERVICE OF FILING MODIFICATION  
TO AN INBOUND MARKET DOMINANT MULTI-SERVICE AGREEMENTS WITH  
FOREIGN POSTAL OPERATORS 1 NEGOTIATED SERVICE AGREEMENT**  
(November 15, 2016)

The bilateral agreement between the United States Postal Service (“Postal Service”) and Korea Post that is the subject of the above-captioned docket (“the Agreement”) is scheduled to expire on December 31, 2016.<sup>1</sup> The Postal Service and Korea Post have signed a modification to the Agreement to extend its expiration date by three months to March 31, 2017, absent earlier termination by the parties (the “Modification”). A copy of the executed Modification is included with this filing as Attachment 1.

Because of a variety of factors, including the complexity of the negotiations, the Postal Service and Korea Post have not yet entered into a successor to the Agreement. The Modification’s three-month extension of the Agreement is intended to allow for the completion of the negotiations on a successor contract; the duration of the three-month extension also corresponds with the parties’ quarterly invoicing.

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<sup>1</sup> Notice of United States Postal Service of Type 2 Rate Adjustment, and Notice of Filing Functionally Equivalent Agreement, Docket No. R2016-1, November 13, 2015, Attachment 2, Article 22, paragraph 2.

Accordingly, the Postal Service requests that the Commission approve the Modification and continue to list the Agreement in the Mail Classification Schedule through March 31, 2017.

Respectfully submitted,

UNITED STATES POSTAL SERVICE  
By its attorneys:

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November 15, 2016

**MODIFICATION ONE TO THE  
KOREA POST - UNITED STATES POSTAL SERVICE  
MULTI-PRODUCT BILATERAL AGREEMENT**

This Modification amends the Korea Post – United States Postal Service Multi-Product Bilateral Agreement ("Agreement") between the United States Postal Service ("USPS"), an independent establishment of the Executive Branch of the Government of the United States, with offices at 475 L'Enfant Plaza SW, Washington, DC 20260, and Korea Post, the postal operator in the Republic of Korea, organized and existing under the laws of the Republic of Korea, and having a place of business at Ministry of Science, ICT and Future Plan at 8<sup>th</sup> Building, Government Complex, Sejong, 30114, Korea. The USPS and Korea Post may be referred to individually as a "Party" and together as the "Parties."

The Modification replaces the sentence in paragraph 2 of Article 22 of the Agreement that reads "The Agreement will remain in effect for one calendar year after the Effective Date, until December 31, 2016, unless terminated sooner pursuant to Article 8 of this Agreement." with the following replacement text:

The Agreement will remain in effect until March 31, 2017 unless terminated sooner pursuant to Article 8 of this Agreement.

All other terms and conditions of the Agreement shall remain in force.

The Parties acknowledge and understand that all obligations of the USPS under this Modification shall be contingent on the USPS receiving approvals from, and/or non-objection by (hereinafter "Conditions Precedent for this Modification") one or more internal and external bodies that have oversight responsibilities. Conditions Precedent for this Modification may include but are not limited to: approvals or, if applicable, non-objection, from USPS senior management, the USPS Governors, the USPS Board of Governors, and/or the U.S. Postal Regulatory Commission. The Parties acknowledge that this Modification might not be approved by such bodies. Until such time that all Conditions Precedent for this Modification are fulfilled that are necessary to provide the products or services contemplated under this Modification, no obligation shall exist for the USPS or Korea Post under this Modification and no benefit or rights granted through this Modification shall inure to either Party unless and until the Conditions Precedent for this Modification have been fulfilled.

In the event that the Conditions Precedent for this Modification are not fulfilled, the USPS and Korea Post shall have no liability arising from this Modification, which shall include no obligation to pay costs associated with any action taken by Korea Post prior to the fulfillment of Conditions Precedent for this Modification. Further, in the event of the failure of any Condition Precedent for this Modification, neither Party shall be held liable for any damages relating to this Modification including, without limitation, the following: actual damages; special damages; indirect damages; incidental damages; punitive damages; consequential damages; or any other damages, which shall include but not be limited to damages for loss of business profits; business interruption; any

other loss; and/or any cost incurred by either Party attributable to such non-approval such as attorney's fees.

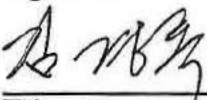
Korea Post acknowledges that as part of securing approval of this Agreement and in other subsequent regulatory filings, this Modification and supporting documentation will be filed with the U.S. Postal Regulatory Commission ("Commission") in a docketed proceeding (R2016-1). Korea Post also acknowledges that the USPS shall furnish a copy of this Modification to the U.S. Department of State. Korea Post authorizes the USPS to determine the scope of information that must be made publicly available in any Commission docketed proceeding in which information related to this Modification must be filed. Korea Post further understands that any unredacted portion of this Modification or supporting information may be posted on the Commission's public website, <http://www.prc.gov>. In addition, the USPS may be required to file information in connection with this instrument (including revenue, cost or volume data) in other Commission dockets, including the Commission docket number for the Annual Compliance Report (ACR) for the USPS fiscal year(s) in which the Agreement is in effect. Each ACR docket has a distinct docket number, such as ACR201#, in which ACR201# signifies the USPS fiscal year to which the ACR pertains. Korea Post has the right, in accordance with the Commission's rules, to address its confidentiality concerns directly with the Commission. The procedure for making an application to the Commission for non-public treatment of materials believed to be protected from disclosure is found at Title 39, Code of Federal Regulations, Section 3007.22, on the Commission's website, <http://www.prc.gov/Docs/63/63467/Order225.pdf>. At Korea Post's request, the USPS will notify Korea Post of the docket number of the Commission proceeding used in connection with the filing of this Modification.

The Parties may execute this Modification in one or more counterparts (including by facsimile or by electronic means such as .pdf format). Not all Parties need be signatories to the same document. All counterpart signed documents shall be deemed an original and one instrument.

IN WITNESS WHEREOF, the Parties agree to be bound as of the latest date of signature to the terms and conditions of this Modification.

KOREA POST

Signature



for KIM Hong-jae

Title Deputy Director General

International Business and Affairs Division

Date November 15, 2016

UNITED STATES POSTAL SERVICE



Cliff Rucker  
Senior Vice President  
Sales and Customer Relations

11/15/16

Date